

Message Text

CONFIDENTIAL

PAGE 01 BERLIN 01567 111049Z

51

ACTION EUR-25

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-03

INR-11 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SP-03

CIEP-03 LAB-06 SIL-01 OMB-01 DODE-00 PM-07 H-03 L-03

NSC-07 PA-04 PRS-01 SS-20 USIA-15 SAJ-01 INT-08 AGR-20

SWF-02 SCI-06 STR-08 DRC-01 /211 W

----- 101297

R 111011Z SEP 74

FM USMISSION BERLIN

TO SECSTATE WASHDC 3950

INFO AMEMBASSY BONN

AMEMBASSY VIENNA

C O N F I D E N T I A L BERLIN 1567

E.O. 11652 GDS

TAGS: EGEN, ETRD, GE, GW, US

SUBJ: LEIPZIG 1974 FALL FAIR: HIGHLIGHTS

REF: BERLIN A-183

1. SUMMARY: ESTABLISHMENT OF US-GDR RELATIONS ON SEPTEMBER 4
HAD ALMOST IMMEDIATE IMPACT IN FORM OF IMPROVED ATMOSPHERICS AT
LEIPZIG ALTHOUGH MORE CONCRETE COMMERCIAL RESULTS NOT APPARENT.
FRG-GDR CONTACTS ESSENTIALLY PRO FORMA; IGT "SWING" NOT DISCUSSED.
END SUMMARY

2. AT JUST-CONCLUDED LEIPZIG FAIR, HIGH-RANKING GDR
GOVERNMENT OFFICIALS FOR FIRST TIME VISITED EXHIBITS OF
AMERICAN FIRMS. STATE SECRETARY BEIL OF GDR MINISTRY FOR
FOREIGN TRADE CALLED ON DOW CHEMICAL AND BRINSWICK CORPORATION
AND BEIL'S DEPUTY, SIEBOLD KIRSTEN, VISITED INTERNATIONAL
VIDEOTAPE CORPORATION (IVC). LATTER EXHIBIT ALSO TOURED
BY GDR EDUCATION MINISTER MARGOT HONECKER. VISITS WERE CEREMONIAL
IN NATURE, DISCUSSIONS CONSISTING PRIMARILY OF GENERALITIES.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BERLIN 01567 111049Z

CONVERSATION AT BRUNSWICK CENTERED ON RECENT SALE TO GDR

OF BOWLING ALLEYS FOR INSTALLATION IN EAST BERLIN AND SALES
POSSIBILITIES OF FIRM'S CHEMICALS CONTROL EQUIPMENT.

3. DISCUSSION AT DOW, IN PRESENCE OF MISSION OFFICER, DEALT
LARGELY WITH CURRENT BUSINESS -- \$45 MILLION
DEAL OVER THREE YEAR PERIOD WITH GDR PROVIDING DOW (NETHERLANDS)
A PETROCHEMICAL FEEDSTOCK (C 4) AND OBTAINING BUTADIENE IN RETURN.
ALSO DISCUSSED WAS DOW'S INTEREST IN OBTAINING
GDR-PRODUCED ETHYLENE, A PROJECT APPARENTLY IN SOME
DOUBT NOW BECAUSE DESTRUCTION IN JULY OF ETHYLENE PRODUCTION
FACILITY IN BOHEMIA MAY REQUIRE SHIFT OF SOME GDR ETHYLENE
TO CZECHOSLOVAKIA. DOW ALSO PURSUED INTEREST IN ESTABLISHING REPRESENTATIVE OFFICE IN EAST BERLIN.

4. ATTENTION TO IVC EXHIBIT ON PART OF GDR BUREAUCRACY DUE TO
FIRM'S PAST COMMERCIAL SUCCESS IN EAST GERMANY AND POSSIBILITY
IT MIGHT IN NEXT FEW DAYS PULL DOWN A \$1.5 MILLION ORDER TO
INSTALL A COMPLETE VIDEO TAPE RECORDER SYSTEM IN PALAST DER
REPUBLIK (BERLIN A-134, JUNE 5, 1973), NOW UNDER CONSTRUCTION IN
EAST BERLIN.

5. AT SEPTEMBER 4 GDR CHAMBER FOR FOREIGN TRADE RECEPTION,
MISSION OFFICER WAS SOUGHT OUT AND INTRODUCED TO MINISTER FOR
FOREIGN TRADE SOELLE AND OTHER MINISTRY OFFICIALS. EAST
GERMANS, CLEARLY ANXIOUS TO DEMONSTRATE GOOD WILL,
WERE EXTREMELY CORDIAL THROUGHOUT MEETINGS WHICH LASTED
SOME 10-15 MINUTES. IN SUBSEQUENT BRIEF INTERVIEW WITH
FAIR SERVICE OF GDR RADIO, MISSION OFFICER SAID THAT LOW
CURRENT LEVEL OF BILATERAL TRADE MADE IT ALMOST CERTAIN
THAT TRADE WOULD GROW BUT CAUTIONED THAT TRADE EXPANSION WAS
DEPENDENT ON MORE THAN ESTABLISHMENT OF RELATIONS.

6. THERE WERE SEVERAL FRG-GDR ENCOUNTERS IN LEIPZIG, MOST
PUBLICITY BEING ACCORDED FIRST-EVER MEETING BETWEEN SED
FIRST SECRETARY HONECKER AND FRG PERMANENT REPRESENTATIVE GAUS
ON SEPTEMBER 1 AT EXHIBIT OF HOECHST AG (BERLIN 1511).
THIS SEMI-PUBLIC MEETING AS WELL AS TRADITIONAL FAIR GET-
TOGETHER OF SOELLE AND HIS DEPUTY, BEHRENDT, AND FRG STATE
SECRETARY ROHWEDDER NEVER GOT DOWN TO SPECIFICS, ACCORDING
TO OFFICIAL OF WEST BERLIN'S INNER-GERMAN TRADE OFFICE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BERLIN 01567 111049Z

(TREUHANDSTELLE FUER DEN INTERZONENHANDEL). OUR
SOURCE MAINTAINED THAT NOT ONE WORD WAS DEVOTED TO EXTENSION
OF INTEREST-FREE SWING CREDIT SINCE FRG POSITION IS THAT GDR
AS DEMANDEUR SHOULD RAISE SUBJECT. AGREEMENT WAS REACHED,
HOWEVER, THAT TWO SIDES WOULD GET TOGETHER IN BERLIN IN NEXT
FEW WEEKS TO WORK OUT ARRANGEMENTS FOR MINING BY FRG OF BROWN
COAL DEPOSITS LYING ON GDR TERRITORY IN VICINITY OF HELMSTEDT.

7. MORE COMPREHENSIVE REPORT ON FAIR WILL FOLLOW.SELIGMANN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DIPLOMATIC RELATIONS ESTABLISHMENT, AMITY, TRADE FAIRS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BERLIN01567
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740253-0091
From: BERLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740957/aaaabwfw.tel
Line Count: 116
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: BERLIN A-183
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 20 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 MAR 2002 by elyme>; APPROVED <20 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LEIPZIG 1974 FALL FAIR: HIGHLIGHTS
TAGS: EGEN, ETRD, GC, GE, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005